

## **The Relationship Between Psychological Contracts and Organizational Justice: A Case Study in Accommodation Establishments**

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### **Abstract**

*To understand how employees feel as a citizen of the organization they work, it is necessary to refer and examine term of organizational justice. Organizational justice behavior may emerged with influence of the pschological contracts in operations. This study aims to measure the relationship between psychological contracts and organizational justice in accommodation establishments. According to the results; it was identified that bachelor degree graduate employees' perception level of psychological contracts is more positive than the highschool degree employees'. Furthermore, perception level of organizational justice of the employees, have bachelor degree graduate, is more positive than the highschool degree and illiterate employees'. On the other hand; it is remarkable that the employees who work at the food & beverage department has most negative perception about psychological contracts and organizational justice.*

**Key Words:** Psychological contracts, organizational behavior, organizational justice, accommodation establishments

### **Introduction**

Contracts are mental models and a necessary component of employment relationships (Robinson and Rousseau, 1994) and psychological contract is an individual's belief regarding the terms and conditions of a mutual exchange agreement between that pivotal person and another party (Rousseau, 1989). A psychological contract emerges when one party believes that a promise of future return has been made, a contribution has been given and thus, an obligation has been created to provide future benefits. Although beliefs in mutual obligations comprise a contract, two parties need not agree for each to believe a contract exists (Robinson and Rousseau, 1994). The concept of a psychological contract plays bridge role between the organizational citizenship and the employment contract literature. In other words, psychological contracts are one of the important lens through which to view organizational citizenship behavior (Robinson and Morrison, 1995). Looking at the organizational citizenship behavior in terms of hospitality industry and especially accommodation establishments; the importance of recruiting, retaining and managing resources that can help to increase competitiveness of organizations has become a crucial factor in the success of accommodation establishments in hospitality industry has strong competition conditions.

Especially human resources have an importance in hospitality industry because of it bases on service basically. Increasing employees' job satisfaction, commitment to the organization and motivation will increase the extra-role behavior of the employees through organizational citizenship behavior (Nadiri and Tanova, 2010).

Given the perceived importance of OCBs, a significant amount of attention has been devoted to investigating the antecedents of such behaviors (Turnley et al., 2003). Organizational justice behavior may emerged with influence of the pschological contracts in establishments. Thus, to understand how employees feel as a citizen of the establishment they work, it is necessary to refer and examine term of organizational justice.

Organizational justice is 'the perceptions of fairness and their impact on behavior in establishments (Beugre' 1998). Employees are concerned with both the fairness of the outcomes that they receive and the fairness of their treatment within the establishment (Hemdi and Nasuridin, 2008). Fair exchange is an important aspect of social exchange theory, research has investigated the relationship between perceptions of organizational justice (distributive, interactional, and procedural) and employees' work attitudes (Cohen-Charash and Spector, 2001 and Colquitt et al., 2001). Blakely et al. (2005) found that when employees have a positive perception of fair behavior in their work area, the possibility of OCB increases.

The perception of organizational justice can be influenced by the conditions, including characteristics of a particular situation (Mitrano, 1997), and characteristics of employees (Cohen-Charash & Spector 2001, Nowakowski & Conlon 2005, St-Pierre & Holmes, 2010).

Thus, this study aims to measure the relationship between psychological contracts and organizational justice in accommodation establishments. Through this aim, the hypothesis of the study are given below:

- H<sub>1</sub>:** There is a significant relationship between psychological contracts and organizational justice in accommodation establishments.
- H<sub>2</sub>:** There is a significant relationship between psychological contracts and subtitles of the organizational justice in accommodation establishments.
- H<sub>3</sub>:** According to the employees' gender, there is a significiant difference in employees' perception of psychological contracts and organizational justice.
- H<sub>4</sub>:** According to the employees' age, there is a significiant difference in employees' perception of psychological contracts and organizational justice
- H<sub>5</sub>:** According to the employees' total period of working, there is a significiant difference in employees' perception of psychological contracts and organizational justice.
- H<sub>6</sub>:** According to the employees' education level, there is a significiant difference in employees' perception of psychological contracts and organizational justice.
- H<sub>7</sub>:** According to the employees' departments, there is a significiant difference in employees' perception of psyhchological contracts and organizational justice.

### **Research Methodology**

The data was collected from 332 employees from 6 hotel establishments (4 and 5 stars) in touristic destinations in Turkey. But just 307 datas were used to analyze because of various reasons (the questionnaires, were left blank in large, were not used). Questionnaire occurs from 3 parts. The first part has some expressions to determine characteristics of participants. In the second part, psychological contracts questionnaire, occurs 21 different items (Rousseau, 2000) and 5 points Likert scale (from 1=never happened to 5=significantly happened) was used. In the third part, organizational justice questionnaire, occurs 20 items based on three subtitles of distributive, procedural, and interactional justice was used (Niehoff and Moorman, 1993) which was according to 5 points Likert scale (from 1=certainly false to 5=certainly true).

## Findings

Table 1: Demographics

Demographics	n	%
<b>Gender</b>		
Man	122	39,7
Woman	185	60,3
<b>Age</b>		
18-25	131	42,7
26-35	123	40,1
36-45	43	14,0
45 and above	10	3,3
<b>Total Working Period</b>		
1 year and less	115	37,5
1-5 years	126	41,0
6-10 years	41	13,4
11-15 years	15	4,9
16-20 years	9	2,9
21 years and above	1	0,3
<b>Education Level</b>		
Post Graduate Degree	11	3,6
Bachelor Degree	87	28,3
Associate Degree	56	18,2
Highschool Degree	84	27,4
Secondary Education Degree	35	11,4
Primary School Degree	25	8,1
Illiterate	9	2,9
<b>Department</b>		
Front Office	78	25,4
Food & Beverage	61	19,9
Housekeeping	37	12,1
Technical Service	27	8,8
Purchasing	8	2,6
Accounting	20	6,5
Human Resources	11	3,6
Animation	12	3,9
Other	53	17,3

122 of the respondents are women and 185 of the respondents are men from the total 307 respondents. The age of the respondents are predominantly in the range of 18 to 25 (% 42,7) and 26 to 35 (% 40,1). Total working period of the respondents in the same establishment is in the range of 1-5 years (% 41) and 1 year or less (% 37,5). % 28,3 of the total respondents have bachelor degree and % 27,4 of them have highschool degree. When we look to the total rate of the university degree respondents, it has seen that this rate is %50.1 of the total. Front office and food and beverage departments primarily take part according to the ranges of the departments which employees work (%25.4 of employees work at front office and %19.9 of employees work at food and beverage department).

**Table 2: Correlations Between Study Variables**

Correlations of the psychological contracts and organizational justice variables are presented in Table 2.

		Average of Psychological Contracts	Average of Distributive Justice	Average of Procedural Justice	Average of Interactional Justice	Average of Organizational Justice
<b>Average of Psychological Contracts</b>	<b>r:</b> <b>p:</b> <b>n:</b>	1 - 307	,675 ,000 307	,720 ,000 307	,677 ,000 307	,745 ,000 307
<b>Average of Distributive Justice</b>	<b>r:</b> <b>p:</b> <b>n:</b>	,675 ,000 307	1 - 307	,785 ,000 307	,740 ,000 307	,887 ,000 307
<b>Average of Procedural Justice</b>	<b>r:</b> <b>p:</b> <b>n:</b>	,720 ,000 307	,785 ,000 307	1 - 307	,809 ,000 307	,930 ,000 307
<b>Average of Interactional Justice</b>	<b>r:</b> <b>p:</b> <b>n:</b>	,677 ,000 307	,740 ,000 307	,809 ,000 307	1 - 307	,945 ,000 307
<b>Average of Organizational Justice</b>	<b>r:</b> <b>p:</b> <b>n:</b>	,745 ,000 307	,887 ,000 307	,930 ,000 307	,945 ,000 307	1 - 307

As can be seen above; all the “p” values of the factors are less from .000 ( $p < 0.05$ ). During the correlation analysis, justice factor has separated to the sub-factors and it has established that, each factor has a relationship with others. According to the results, “r” value is range of 0 to 1000 and relationship between psychological contracts and sub-factors of the organizational justice is significant (r value is .675 for the relationship between the psychological contracts and distributive justice,  $r = .720$  for the relationship between the psychological contracts and procedural justice,  $r = .677$  for the relationship between the psychological contracts and interactional justice and  $r = .745$  for the relationship between the psychological contracts and organizational justice).

Additionally, there are significant relationship between the justice factors. Distributive justice and procedural justice ( $r = .785$ ), distributive justice and interactional justice ( $r = .740$ ), distributive justice and organizational justice ( $r = .887$ ) correlated with each other significantly. Likewise, procedural justice and interactional justice ( $r = .809$ ), procedural justice and organizational justice ( $r = .930$ ) and interactional justice and organizational justice ( $r = .945$ ) correlated with each other in high significance. Briefly, the first hypotheses, (There is a significant relationship between psychological contracts and organizational justice in accommodation establishments) and second hypotheses, (There is a significant relationship between psychological contracts and subtitles of the organizational justice in accommodation establishments) were accepted.

**Table 3: Differentiation Analysis of Employees’ Perception of Psychological Contracts and Organizational Justice According to the Employees’ Gender**

		<b>n</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>t</b>	<b>p</b>
<b>Psychological Contracts</b>	Woman	122	3,5070	,90967	1,222	,223
	Man	185	3,3794	,88640		
<b>Organizational Justice</b>	Woman	122	3,4172	,93720	1,703	,090
	Man	185	3,2278	,96369		

To determine if there is a significant difference in the perception of basic factors according to the demographics, differentiation analysis were used.

Firstly, according to the gender, we achieved the result of there is no significant difference in employees’ perception of psychological contracts ( $p > 0,05$  and  $p = .223$ ). Additionally, it hasn’t found a significant difference in the perception of organizational justice according to the employees’ gender ( $p = .090$ ). So, the third hypotheses, (According to the employees’ gender, there is a significant difference in employees’ perception of psychological contracts and organizational justice) was not accepted.

**Table 4. Differentiation Analysis of Employees’ Perception of Psychological Contracts and Organizational Justice According to the Ages**

		<b>n</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>F</b>	<b>P</b>
<b>Average of Psychological Contracts</b>	18-25	131	3,3504	,89382	,741	,528
	26-35	123	3,4843	,95206		
	36-45	43	3,5393	,77328		
	45 and above	10	3,3381	,71073		
	<b>Total</b>	<b>307</b>	<b>3,4301</b>	<b>,89643</b>		
<b>Average of Organizational Justice</b>	18-25	131	3,2989	,98745	1,171	,321
	26-35	123	3,2463	,99134		
	36-45	43	3,5326	,75268		
	45 and above	10	3,0700	,82603		
	<b>Total</b>	<b>307</b>	<b>3,3031</b>	<b>,95622</b>		

As presented in the table above, there is no significant difference in the employees’ perception of psychological contracts according to the ages ( $p > 0,05$  and  $p = .528$ ). Similarly, there is no significant difference ( $p = .321$ ) in the employees’ perception of organizational justice according to the ages. So, the fourth hypotheses, (According to the employees’ age, there is a significant difference in employees’ perception of psychological contracts and organizational justice) was not accepted.

**Table 5: Differentiation Analysis of Employees’ Perception of Psychological Contracts and Organizational Justice According to the Total Period of Working**

		<b>n</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>F</b>	<b>P</b>
<b>Psychological Contracts</b>	1 year and less	115	3,3793	1,00195	,876	,497
	1-5 years	126	3,3745	,84423		
	6-10 years	41	3,6562	,93092		
	11-15 years	15	3,5175	,43378		
	16-20 years	9	3,6931	,43780		
	<b>Total</b>	<b>307</b>	<b>3,4301</b>	<b>,89643</b>		
<b>Organizational Justice</b>	1 year and less	115	3,3287	,96049	,644	,666
	1-5 years	126	3,2060	1,00786		
	6-10 years	41	3,4000	1,00175		
	11-15 years	15	3,4567	,30288		
	16-20 years	9	3,6278	,63890		
	<b>Total</b>	<b>307</b>	<b>3,3031</b>	<b>,95622</b>		

As presented in the table above, there is no significant difference in the employees’ perception of psychological contracts according to the their total period of working ( $p > 0,05$  and  $p = .497$ ).

Similarly, there is no significant difference in the employees’ perceptions of organizational justice according to the their total period of working ( $p = .666$ ). So, the fifth hypotheses, (According to the employees’ total period of working, there is a significant difference in employees’ perception of psychological contracts and organizational justice) was not accepted.

**Table 6: Differentiation Analysis of Employees’ Perception of Psychological Contracts and Organizational Justice According to the Education Level**

		<b>n</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>F</b>	<b>P</b>	<b>Multiple Comparison Test</b>
<b>Psychological Contracts</b>	Postgraduate degree	11	3,5844	,53626	2,210	.042	<b>2&gt;4</b>
	Bachelor Degree	87	3,6678	,88526			
	Associate Degree	56	3,4345	,99626			
	Highschool Degree	84	3,2194	,97116			
	Secondary Education Degree	35	3,4667	,76040			
	Primary School Degree	25	3,3067	,68568			
	Illiterate	9	3,0847	,41838			
	<b>Total</b>	<b>307</b>	<b>3,4301</b>	<b>,89643</b>			
<b>Organizational Justice</b>	Postgraduate degree	11	3,4000	,65689	3,398	.003	<b>2&gt;4, 2&gt;7</b>
	Bachelor Degree	87	3,5701	,87936			
	Associate Degree	56	3,4509	,95971			
	Highschool Degree	84	3,0881	,99055			
	Secondary Education Degree	35	3,2329	1,01046			
	Primary School Degree	25	3,0920	,90826			
	Illiterate	9	2,5500	,75540			
	<b>Total</b>	<b>307</b>	<b>3,3031</b>	<b>,95622</b>			

The difference in the perception of psychological contracts components according to the employees’ education degree is significant ( $p = .042$  and  $p < .05$ ). Similarly, the difference in employees’ perception of organizational justice is significant too ( $p = .003$ ). To determine the resource of the difference, Bonferroni test is a method of multiple comparison (post hoc) test was applied.

According to the results, perception level about psychological contracts of employees have bachelor degree, is more positive than the highschool degree employees' ( $p < .05$ ). On the other hand, perception level about organizational justice of employees have bachelor degree is more positive than highschool degree and illiterate employees' ( $p < .05$ ).

Briefly, the sixth hypotheses, (According to the employees' education level, there is a significant difference in employees' perception of psychological contracts and organizational justice) was accepted.

**Table 7: Differentiation Analysis of Employees' Perception of Psychological Contracts and Organizational Justice According to the Departments**

		n	Mean	Std. Deviation	F	P	Multiple Comparison Test
<b>Psychological Contracts</b>	Front Office	78	3,6087	,68813	5,380	.000	<b>1&gt;2, 5&gt;2, 6&gt;2, 9&gt;2</b>
	Food & Beverage	61	2,9227	,93476			
	Housekeeping	37	3,1931	,84902			
	Technical Service	27	3,3210	,73101			
	Purchasing	8	4,1548	,47738			
	Accounting	20	3,7762	1,02214			
	Human Resources	11	3,7143	1,02773			
	Animation	12	3,4643	,60341			
	Other	53	3,6658	,98171			
<b>Total</b>		<b>307</b>	<b>3,4301</b>	<b>,89643</b>			
<b>Organizational Justice</b>	Front Office	78	3,5500	,69954	3,150	.002	<b>1&gt;2, 5&gt;2</b>
	Food & Beverage	61	2,9893	1,03506			
	Housekeeping	37	3,0824	,91152			
	Technical Service	27	3,2074	,80607			
	Purchasing	8	4,2125	,61919			
	Accounting	20	3,5950	,79255			
	Human Resources	11	3,1636	1,40998			
	Animation	12	3,1125	,78106			
	Other	53	3,3283	1,14361			
<b>Total</b>		<b>307</b>	<b>3,3031</b>	<b>,95622</b>			

The difference in the perception of psychological contracts components according to the employees' department is significant ( $p = .000$  and  $p < .05$ ). Similarly, the difference in employees' perception of organizational justice is significant too ( $p = .002$ ). To determine the resource of the difference, multiple comparison (post hoc) test has applied to the variables. According to the results, perception of psychological contracts level who work at front office, purchasing, accounting and other departments, is more positive than the employees, work at food & beverage department ( $p < .05$ ). On the other hand; employees, work at front office and purchasing department have more positive perception about organizational justice than the employees work at food & beverage department ( $p < .05$ ). So, the seventh hypotheses, (According to the employees' department, there is a significant difference in employees' perception of psychological contracts and organizational justice) was accepted. The group of 'other' in the department part, comprises hair dresser, market etc. work areas and it is possible to accept these areas, occurs "other" group, are less labour intensive than the others. Thus the group of 'other' has taken in one title and hasn't needed to keep in a distinct assessment. Because of its' this characteristic, it can be said it is an expected result, perception level belong two factors of employees, work in these areas, are more positive from the other departments employee'.

**Conclusions**

This study mainly aimed to investigate the employees' psychological contracts with the organization and the perceptual organizational justice in accommodation establishments. In the content of the study through the datas of 307 respondents, significant relationship between the psychological contracts and distributive, procedural and interactional justice was detected.

Additionally; distributive, procedural and interactional justice, which are the subtitles of justice factor, have the significant relationship with each other and with organizational justice. In the differentiation analysis, were used to determine if there is a significant difference on perception of psychological contracts and organizational justice or not, according to the participants' demographic characteristics, it was concluded, there is no difference in the perception of psychological contracts and organizational justice according to the employees' gender, total period of working in the same establishment and ages, but there is a significant difference according to the employees' education level and department. With the results of the multiple comparative tests, it was identified that bachelor degree graduate employees' perception level of psychological contracts is more positive than the highschool degree employees'. Furthermore, perception level of organizational justice of the employees, have bachelor degree graduate, is more positive than the highschool degree and illiterate employees'. In addition, psychological contracts perception level of the employees, work at front office, purchasing, accounting and other departments, is most positive than the employees, work at food & beverage department. On the other hand; organizational justice perception level of the employees, work at front office and purchasing, is most positive than the food&beverage employees'.

It is remarkable that the employees who work at the food & beverage department has most negative perception about psychological contracts and organizational justice. As a consequence, in food & beverage department which is one of the most crowded department in the accommodation establishments, it has to be handled with the employees working conditions and expectations from the organization.

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